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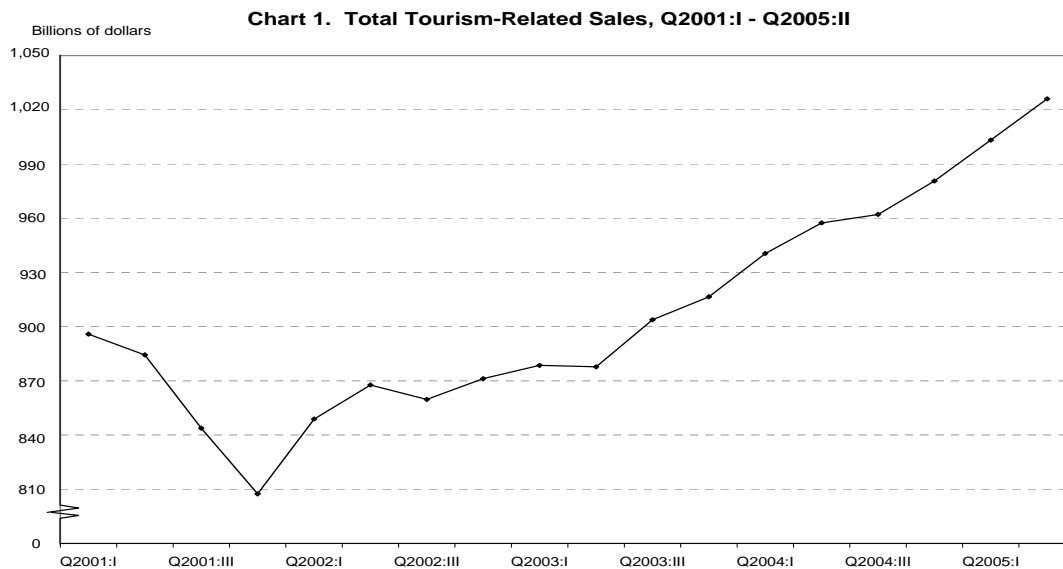
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BEA 05-39

TOTAL TOURISM-RELATED SALES TOP \$1 TRILLION MARK

Total Tourism-Related Employment Up 0.8 Percent in First Quarter

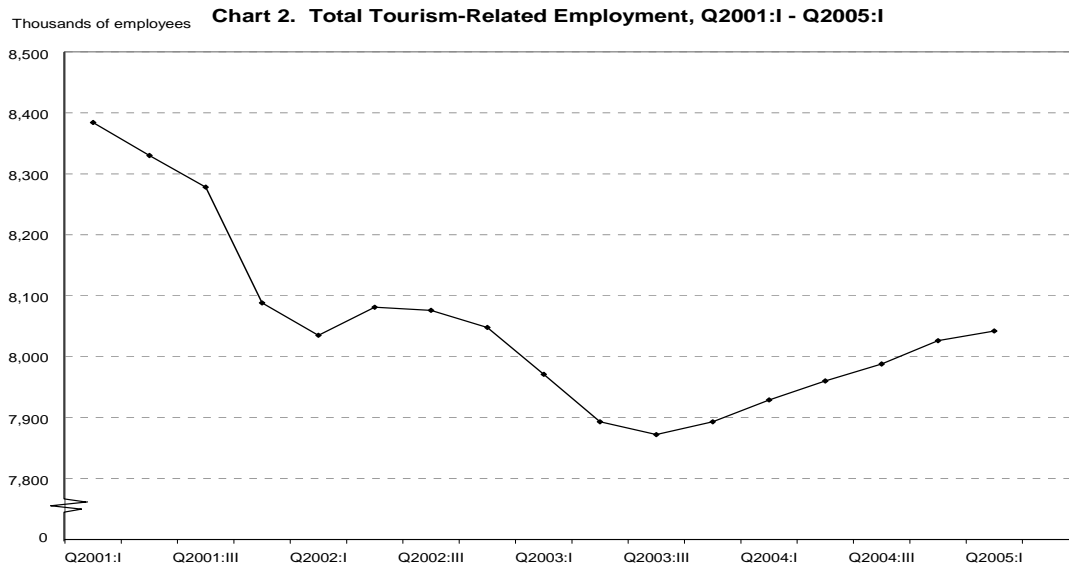
Total sales of tourism-related goods and services have surpassed \$1 trillion (current dollars, seasonally adjusted at annual rates), according to data released by the U.S. Bureau of Economic Analysis. Total tourism-related sales grew 9.4 percent in the second quarter of 2005 (seasonally adjusted at annual rates), from \$1.003 trillion in the first quarter of 2005 to \$1.026 trillion in the second quarter. These estimates incorporate BEA's July 2005 annual revisions to the national income and product accounts, which covered the period Q2002:I through Q2005:I.



The initial effects of Hurricane Katrina on travel and tourism will be reflected in the next release covering the third quarter of 2005. Although the tourism accounts do not enable BEA to isolate regional impacts, the third quarter release will capture the effects of Hurricane Katrina on overall national travel and tourism activity.

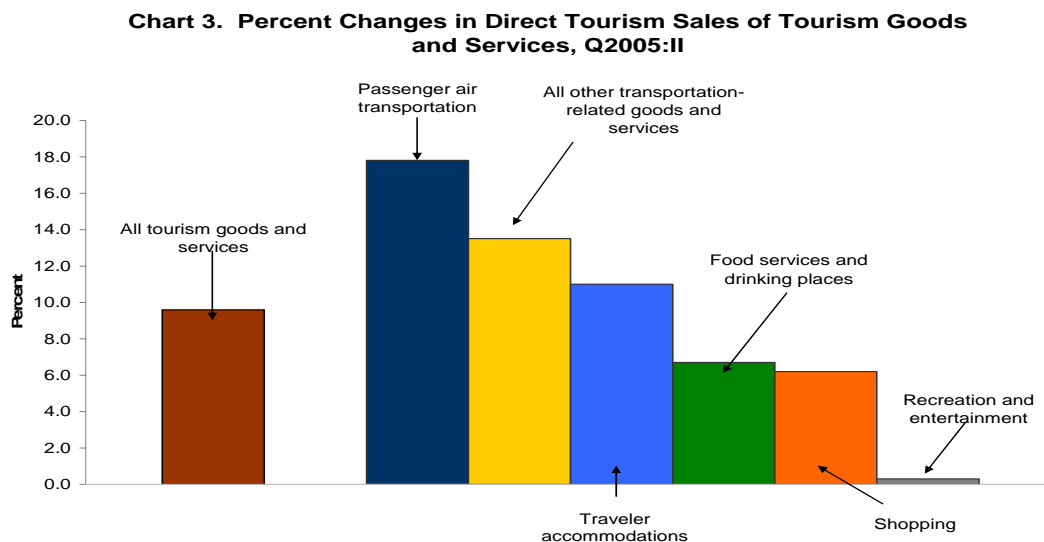
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Total tourism-related employment continued to grow more slowly than sales. It grew 0.8 percent (seasonally adjusted at annual rates) in the first quarter of 2005, the most recent quarter for which data are available. Total tourism-related employment consisted of 5.5 million direct tourism-related jobs, and 2.5 million indirect tourism-related jobs.



Direct Tourism Sales

In the second quarter of 2005, total tourism-related sales consisted of \$588.1 billion of direct tourism sales – sales of goods and services sold directly to visitors, and \$438.1 billion of indirect tourism sales – sales of the goods and services used to produce what visitors buy. Growth in direct tourism sales was led by a 17.8 percent increase in ‘passenger air transportation’, although most of this growth was due to an increase in airfares. Sales of ‘all other transportation-related goods and services’ grew 13.5 percent, and sales of ‘traveler accommodations’ grew 11.0 percent. Sales of ‘food services and drinking places’ grew 6.7 percent, and sales of ‘recreation and entertainment’ grew 1.0 percent. Sales of ‘shopping’ grew 0.5 percent.

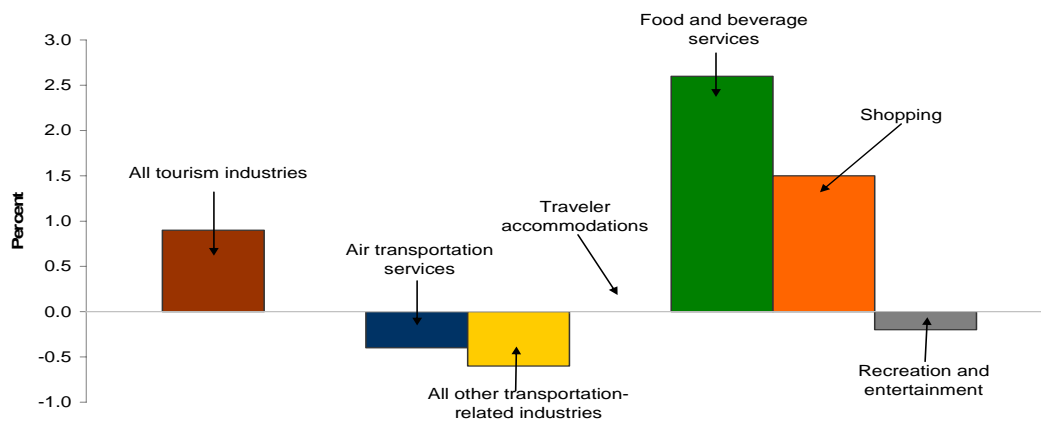


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Direct Tourism Employment

In the first quarter of 2005, direct tourism-related employment grew 0.9 percent, with growth in the 'food and beverage services' and 'shopping' industry groups of 2.6 percent and 1.5 percent, respectively. Employment held constant in the 'traveler accommodations' industry, while employment in the 'air transportation services' industry declined by 0.4 percent, as that industry continued to restructure. In the fourth quarter of 2004 direct tourism-related employment grew at 2.1 percent (revised).

Chart 4. Percent Changes in Direct Tourism Employment, Q2005:I



These estimates are from the Travel and Tourism Satellite Accounts, which are supported by funding from the Office of Travel and Tourism Industries, International Trade Administration, U.S. Department of Commerce. The estimates of direct tourism output were derived from the annual input-output (I-O) accounts for 2003 and quarterly estimates of personal consumption expenditures from the NIPAs. The estimates of direct tourism employment were derived from the annual I-O accounts for 2003 and from the Quarterly Census of Employment and Wages from the Bureau of Labor Statistics.

BEA's estimates of tourism-related sales include figures for both "direct" and "indirect" sales. Direct tourism-related sales comprise all output consumed directly by visitors (e.g., traveler accommodations, passenger air transportation, souvenirs); indirect tourism-related sales comprise all output used as inputs in the process of producing direct tourism-related output (e.g., toiletries for hotel guests, the various ingredients used to make the meals served airline passengers, and the plastic used to produce souvenir key chains). Indirect sales were estimated using commodity-by-commodity output multipliers from the Industry Economics Division.

BEA's estimates of tourism-related employment now measure both "direct" and "indirect" employment. Direct tourism-related employment comprises all jobs where the workers are engaged in the production of direct tourism-related output (e.g., hotel staff, airline pilots, and souvenir sellers); indirect tourism-related employment comprises all jobs where the workers are engaged in the production of indirect tourism-related output (e.g., employees of companies that produce toiletries for hotel guests, the various ingredients used to make the meals served airline passengers, and the plastic used to produce souvenir key chains). Indirect employment was estimated using industry-by-industry employment multipliers from the Regional Economic Analysis Division. Employment data are available five to six months after the end of the reference quarter.

* * *

Next release – Travel and Tourism estimates for third quarter 2005 will be released December 19, 2005 at 8:30 a.m. EST.

BEA's national, international, regional, and industry estimates; the *Survey of Current Business*; and BEA news releases are available without charge on BEA's Web site at www.bea.gov. By visiting the site, you can also subscribe to receive free e-mail summaries of BEA releases and announcements.

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Table 1. Percent Change in Direct Tourism Sales of Tourism Goods and Services, Q2001:I - Q2005:II

[Percent change from preceding period]

Tourism Goods and Services Group					Seasonally adjusted at annual rates																	
	2001	2002	2003	2004	Q2001:I	Q2001:II	Q2001:III	Q2001:IV	Q2002:I	Q2002:II	Q2002:III	Q2002:IV	Q2003:I	Q2003:II	Q2003:III	Q2003:IV	Q2004:I	Q2004:II	Q2004:III	Q2004:IV	Q2005:I	Q2005:II
Traveler accommodations	-7.8	-0.1	0.8	9.4	-5.0	-12.9	-26.0	-21.7	38.7	14.2	-8.9	-3.5	-0.7	1.4	12.4	4.1	12.2	14.3	5.4	10.5	13.8	11.0
Passenger air transportation	-13.2	-5.3	4.6	7.1	-15.0	-4.6	-43.4	-48.2	73.6	14.5	-16.8	18.3	2.6	-7.5	28.0	7.8	9.8	5.7	-6.0	5.2	17.3	17.8
All other transportation-related goods and services	-0.4	-1.3	3.8	5.3	7.7	0.8	-17.7	-19.7	11.5	15.1	-2.8	4.1	12.7	-8.9	9.7	0.9	9.6	10.7	-3.4	9.9	7.4	13.5
Food services and drinking places	0.9	5.0	4.4	8.8	5.1	-5.4	6.2	4.3	10.7	4.4	2.0	2.0	1.5	7.7	8.6	10.0	11.7	5.4	6.9	10.0	6.5	6.7
Recreation and entertainment	2.1	6.2	4.5	7.1	7.2	-2.7	-5.9	1.4	16.8	7.6	7.2	8.7	-4.2	8.4	4.3	8.8	12.9	1.9	5.6	2.4	8.3	0.3
Shopping	-5.9	0.1	4.1	6.8	-16.2	-6.5	-5.2	-1.6	4.7	0.7	-0.4	4.8	4.9	1.6	11.8	4.2	9.3	5.7	5.3	7.3	6.1	6.2
All tourism goods and services	-4.5	0.4	3.7	7.4	-3.6	-5.2	-18.1	-16.9	23.4	9.6	-3.9	5.4	3.3	-0.4	12.4	5.7	10.8	7.5	1.9	7.8	9.8	9.6

Table 2. Direct Tourism Sales of Tourism Goods and Services, Q2001:I - Q2005:II

[Millions of dollars]

Tourism Goods and Services Group					Seasonally adjusted at annual rates																	
	2001	2002	2003	2004	Q2001:I	Q2001:II	Q2001:III	Q2001:IV	Q2002:I	Q2002:II	Q2002:III	Q2002:IV	Q2003:I	Q2003:II	Q2003:III	Q2003:IV	Q2004:I	Q2004:II	Q2004:III	Q2004:IV	Q2005:I	Q2005:II
Traveler accommodations	81,246.4	81,126.4	81,781.9	89,451.3	87,720.8	84,744.5	78,596.7	73,923.5	80,226.3	82,930.9	81,030.9	80,317.5	80,168.2	80,449.3	82,840.6	83,669.3	86,103.2	89,026.9	90,197.9	92,477.2	95,515.0	98,050.2
Passenger air transportation	87,259.4	82,631.4	86,395.3	92,535.3	97,702.5	96,552.1	83,732.6	71,050.2	81,555.4	84,361.5	80,574.9	84,033.7	84,569.9	82,927.0	88,210.3	89,873.8	91,990.5	93,282.6	91,844.3	93,023.9	96,817.8	100,863.6
All other transportation-related goods and services	101,470.0	100,125.1	103,934.8	109,395.6	105,162.0	105,375.2	100,355.5	94,987.2	97,607.8	101,099.2	100,392.9	101,400.4	104,477.5	102,077.4	104,468.6	104,715.5	107,150.2	109,907.0	108,957.9	111,567.4	113,579.2	117,227.5
Food services and drinking places	83,730.3	87,943.6	91,804.5	99,909.6	83,742.2	82,596.9	83,843.4	84,738.6	86,910.1	87,853.2	88,284.0	88,727.3	89,049.3	90,712.6	92,611.5	94,844.4	97,507.7	98,790.2	100,457.7	102,883.0	104,510.6	106,230.0
Recreation and entertainment	60,591.6	64,336.4	67,216.4	71,955.8	61,310.9	60,899.1	59,976.1	60,180.2	62,567.9	63,727.9	64,838.4	66,211.5	65,505.8	66,837.3	67,541.3	68,981.1	71,108.6	71,439.9	72,426.3	72,848.6	74,314.6	74,368.7
Shopping	77,794.3	77,891.8	81,090.1	86,634.3	79,376.8	78,061.4	77,023.4	76,715.4	77,598.1	77,742.7	77,660.1	78,566.6	79,504.8	79,828.4	82,091.4	82,936.0	84,805.2	85,983.8	87,095.9	88,652.4	89,970.3	91,326.2
All tourism goods and services	492,091.8	494,054.7	512,222.8	549,882.1	515,015.1	508,229.2	483,527.8	461,595.2	486,465.5	497,715.3	492,781.1	499,257.0	503,275.5	502,832.1	517,763.7	525,020.2	538,665.5	548,430.3	550,980.0	561,452.5	574,707.6	588,066.2

Table 3. Total Tourism-Related Sales of Tourism Goods and Services, Q2001:I - Q2005:II

[Millions of dollars]

Tourism Goods and Services Group					Seasonally adjusted at annual rates																		
	2001	2002	2003	2004	Q2001:I	Q2001:II	Q2001:III	Q2001:IV	Q2002:I	Q2002:II	Q2002:III	Q2002:IV	Q2003:I	Q2003:II	Q2003:III	Q2003:IV	Q2004:I	Q2004:II	Q2004:III	Q2004:IV	Q2005:I	Q2005:II	
Traveler accommodations	124,008.5	123,825.4	124,825.8	136,531.9	133,890.6	129,347.7	119,964.3	112,831.4	122,451.5	126,579.7	123,679.6	122,590.7	122,362.9	122,792.0	126,441.9	127,706.7	131,421.7	135,884.2	137,671.4	141,150.4	145,787.1	149,656.7	
Passenger air transportation	144,686.2	137,012.4	143,253.3	153,434.3	162,002.1	160,094.6	138,838.4	117,809.5	135,228.3	139,881.1	133,602.5	139,337.6	140,226.7	137,502.6	146,262.9	149,021.2	152,531.0	154,673.3	152,288.5	154,244.4	160,535.2	167,243.5	
All other transportation-related goods and services	171,642.7	169,179.6	175,675.0	185,395.8	177,916.5	178,464.4	169,885.8	160,304.3	164,809.3	170,866.3	169,618.0	171,424.7	176,757.2	172,374.8	176,603.9	176,964.0	181,392.1	186,340.3	184,600.0	189,251.0	192,793.5	199,110.2	
Food services and drinking places	156,458.2	164,331.3	171,545.6	186,690.9	156,480.4	154,340.4	156,669.7	158,342.4	162,400.1	164,162.2	164,967.2	165,795.7	166,397.4	169,505.5	173,053.6	177,226.0	182,202.6	184,599.1	187,715.1	192,246.9	195,288.2	198,501.2	
Recreation and entertainment	99,661.9	105,870.8	110,612.8	118,342.6	100,855.0	100,149.7	98,636.6	99,006.3	102,945.2	104,866.5	106,665.1	109,006.4	107,809.4	109,976.7	111,153.1	113,512.2	116,966.9	117,522.1	119,106.7	119,774.6	122,191.2	122,166.8	
Shopping	161,384.8	161,587.3	168,222.2	179,723.6	164,667.7	161,939.1	159,785.7	159,146.7	160,977.8	161,277.8	161,106.4	162,987.1	164,933.3	165,604.7	170,299.2	172,051.5	175,929.1	178,374.1	180,681.2	183,910.1	186,644.2	189,457.0	
All tourism goods and services	857,842.3	861,806.7	894,134.8	960,119.2	895,812.4	884,335.9	843,780.5	807,440.6	848,812.2	867,633.6	859,638.9	871,142.2	878,486.9	877,756.2	903,814.4	916,481.6	940,443.4	957,393.0	962,062.8	980,577.5	1,003,239.4	1,026,135.4	
Percent change at annual rate	-4.4	0.5	3.8	7.4	-3.9	-5.0	-17.1	-16.1	22.1	9.2	-3.6	5.5	3.4	-0.3	12.4	5.7	10.9	7.4	2.0	7.9	9.6	9.4	

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Table 4. Percent Change in Direct Tourism Employment, Q2001:I - Q2005:I

[Percent change from preceding period]

Tourism industry group					Seasonally adjusted at annual rates																
	2001	2002	2003	2004	Q2001:I	Q2001:II	Q2001:III	Q2001:IV	Q2002:I	Q2002:II	Q2002:III	Q2002:IV	Q2003:I	Q2003:II	Q2003:III	Q2003:IV	Q2004:I	Q2004:II	Q2004:III	Q2004:IV	Q2005:I
Traveler accommodations	-2.6	-3.4	-0.8	1.1	-3.2	-4.5	-4.0	-16.8	0.4	4.6	-0.7	-1.1	-0.4	-4.6	0.5	2.5	1.0	1.5	1.9	2.1	0.0
Air transportation services	-0.7	-8.5	-3.8	-0.9	0.6	-2.7	-3.5	-23.0	-15.8	4.9	1.5	-1.2	-5.2	-10.5	-5.2	-0.7	2.1	0.9	-1.4	1.1	-0.4
All other transportation-related industries	-0.4	-5.8	-5.8	-1.7	5.9	-0.5	-3.5	-15.5	-3.9	-2.7	-3.6	-5.1	-8.4	-7.6	-5.4	-0.8	-2.5	0.7	0.7	0.7	-0.6
Food and beverage services	-0.8	2.5	-0.3	2.6	-2.8	-0.6	0.1	1.0	6.0	3.8	1.2	0.2	-4.0	-0.4	1.9	2.7	3.4	2.0	3.2	3.2	2.6
Recreation and entertainment	1.9	-0.3	-0.9	2.4	-2.0	0.1	2.7	5.4	-8.7	3.1	1.4	-0.7	-3.5	-1.3	-0.1	0.2	6.3	2.8	1.6	2.8	-0.2
Shopping (Retailers)	-4.4	-3.7	-3.0	-0.1	-4.6	-6.6	-6.1	-5.3	-2.1	-2.0	-2.9	-3.5	-5.1	-2.6	-1.1	0.3	-0.2	1.0	-0.3	0.0	1.5
All other industries	-1.9	-2.4	-0.7	1.3	-2.7	-3.3	-3.0	-1.7	-6.3	1.0	-0.2	-0.2	-1.5	-1.1	-1.1	0.7	1.9	2.6	1.5	2.7	1.7
<i>All tourism industries</i>	-1.3	-2.2	-1.8	1.1	-1.6	-2.4	-2.2	-8.6	-1.8	2.5	-0.3	-1.4	-3.8	-3.6	-0.6	1.3	1.9	1.7	1.6	2.1	0.9

Table 5. Direct Tourism Employment, Q2001:I - Q2005:I

[Thousands of employees]

Tourism industry group					Seasonally adjusted at annual rates																	
	2001	2002	2003	2004	Q2001:I	Q2001:II	Q2001:III	Q2001:IV	Q2002:I	Q2002:II	Q2002:III	Q2002:IV	Q2003:I	Q2003:II	Q2003:III	Q2003:IV	Q2004:I	Q2004:II	Q2004:III	Q2004:IV	Q2005:I	
Traveler accommodations	1,370	1,323	1,313	1,328	1,405	1,389	1,374	1,313	1,314	1,329	1,327	1,323	1,321	1,306	1,308	1,316	1,319	1,324	1,330	1,337	1,337	
Air transportation services	595	545	524	519	611	606	601	563	539	546	548	546	539	524	517	516	519	520	518	520	519	
All other transportation-related industries	700	660	621	610	711	710	704	675	668	664	658	649	635	623	614	613	609	610	611	612	611	
Food and beverage services	1,594	1,635	1,630	1,672	1,595	1,593	1,593	1,597	1,621	1,636	1,641	1,642	1,625	1,624	1,631	1,642	1,656	1,664	1,678	1,691	1,702	
Recreation and entertainment	597	595	590	604	593	593	597	605	591	596	598	597	592	590	590	590	599	603	606	610	609	
Shopping (Retailers)	566	546	529	528	580	570	562	554	551	548	544	539	532	529	527	528	527	529	528	528	530	
All other industries	201	196	195	197	203	201	200	199	196	196	196	196	195	195	194	194	195	197	197	199	200	
<i>All tourism industries</i>	5,624	5,499	5,402	5,459	5,697	5,663	5,631	5,506	5,480	5,515	5,511	5,492	5,439	5,389	5,381	5,399	5,425	5,447	5,468	5,496	5,508	

Table 6. Total Tourism-Related Employment, Q2001:I - Q2005:I

[Thousands of employees]

Tourism industry group					Seasonally adjusted at annual rates																	
	2001	2002	2003	2004	Q2001:I	Q2001:II	Q2001:III	Q2001:IV	Q2002:I	Q2002:II	Q2002:III	Q2002:IV	Q2003:I	Q2003:II	Q2003:III	Q2003:IV	Q2004:I	Q2004:II	Q2004:III	Q2004:IV	Q2005:I	
Traveler accommodations	1,686	1,628	1,616	1,634	1,729	1,709	1,691	1,616	1,617	1,636	1,633	1,628	1,626	1,607	1,609	1,619	1,623	1,629	1,637	1,646	1,646	
Air transportation services	1,054	965	928	920	1,082	1,074	1,065	997	955	967	970	967	954	928	916	914	919	921	918	921	920	
All other transportation-related industries	1,208	1,141	1,085	1,071	1,226	1,225	1,215	1,166	1,154	1,146	1,138	1,126	1,107	1,087	1,074	1,072	1,067	1,069	1,073	1,076	1,075	
Food and beverage services	2,132	2,186	2,180	2,236	2,133	2,130	2,131	2,136	2,167	2,188	2,195	2,195	2,173	2,171	2,181	2,196	2,215	2,226	2,243	2,261	2,275	
Recreation and entertainment	878	877	870	889	872	872	878	891	870	878	881	880	872	869	869	869	882	888	891	897	896	
Shopping (Retailers)	968	927	896	889	997	976	957	942	937	931	924	916	904	897	892	890	889	891	889	887	889	
All other industries	343	336	333	337	346	344	341	340	335	336	336	336	334	333	332	332	334	336	337	339	341	
<i>All tourism industries</i>	8,270	8,060	7,907	7,976	8,384	8,330	8,278	8,088	8,035	8,081	8,076	8,048	7,971	7,893	7,872	7,893	7,929	7,960	7,988	8,026	8,042	
<i>Percent change at annual rate</i>	-1.5	-2.5	-1.9	0.9	-2.0	-2.6	-2.5	-8.9	-2.6	2.3	-0.2	-1.4	-3.8	-3.9	-1.0	1.0	1.8	1.6	1.4	1.9	0.8	